

FIRST HALF YEAR AND
SECOND QUARTER

REPORT 2021

Q2



Kitron

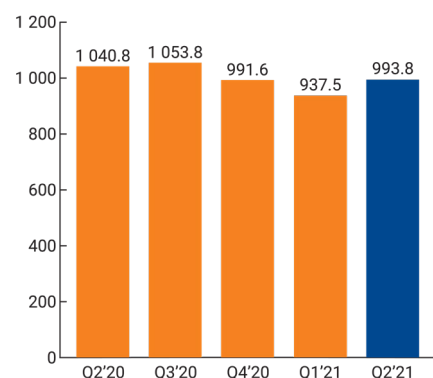
Your ambition. Our passion.

Connectivity
Electrification
Industry
Medical devices
Defence/Aerospace

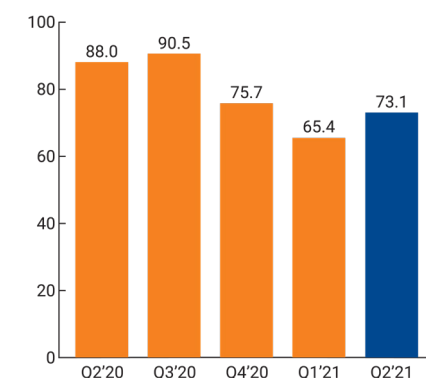
Solid quarter and record order backlog

- Record order backlog
- EBIT margin 7.4%
- Strong operating cash flow
- Currency headwind

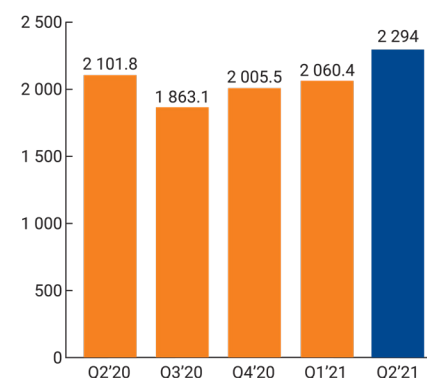
REVENUE Group
NOK million



EBIT Group
NOK million



ORDER BACKLOG Group
NOK million



Electrification and Industry show strong growth

Kitron's revenue for the second quarter was NOK 994 million (NOK 1 041 million). Underlying revenue growth in the second quarter was 5 per cent, as revenue for the first half and second quarter is negatively affected by currency effects compared to last year of around 10%, due to the Norwegian krone having strengthened against our invoicing currencies.

In the second quarter there was strong revenue growth within the Electrification, Connectivity and Industry sectors, while revenue declined within Defence/Aerospace. As expected, revenue within Medical devices has gradually been normalized after the pandemic-related demand surge during 2020. Some revenue was delayed from the second quarter due to ongoing component shortages.

Record order backlog

The order backlog ended at NOK 2 294 million, an increase of 9 per cent compared to last year. This is a record and reflects the strong total demand situation we see within IOT and warehouse automation.. The order backlog increased within the Electrification, Connectivity and Industry sectors, while it declined within Defence/Aerospace. As expected, the order backlog within Medical devices has gradually been normalized. Adjusted for changes in currency rates, the order backlog increase was 13 per cent compared to last year.

EBIT margin 7.4%

Second quarter EBITDA* was NOK 97.5 million (NOK 113.8 million), a decrease of 14 per cent compared to last year.

Operating profit (EBIT)* for the second quarter ended at NOK 73.1 million (NOK 88.0 million), a decrease of 17 per cent.

Profitability expressed as EBIT margin* was 7.4 per cent (8.5 per cent). Profit after tax was NOK 48.6 million (NOK 64.3 million), a decrease of 24 per cent and corresponding to NOK 0.27 earnings per share (NOK 0.36).

The EBIT margin in the quarter is at the top end of our guidance, and in line with our strategic target path, although lower than last year where there were economies of scale due to exceptional volumes within Medical devices.

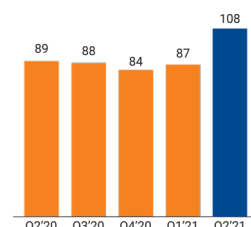
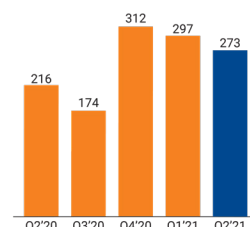
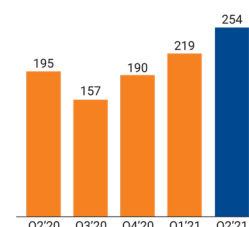
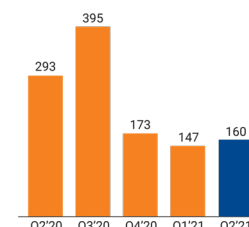
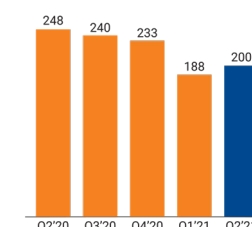
Kitron's revenue for the first half year was NOK 1 931 million (NOK 1 918 million), an increase of 1 per cent compared to last year. Growth adjusted for foreign exchange effects in consolidation was 5 per cent. First half year EBITDA* was NOK 187.7 million (NOK 196.5 million), a decrease of 5 per cent from last year. Operating profit (EBIT)* for the first half year ended at NOK 138.5 million (NOK 146.3 million), a decrease of 5 per cent. Profitability expressed as EBIT margin* was 7.2 per cent (7.6 per cent). Profit after tax was NOK 93.3 million (NOK 105.2 million), a decrease of 11 per cent and corresponding to NOK 0.52 earnings per share (NOK 0.59).

The first tranche of ordinary dividend was paid in the quarter. The second tranche of ordinary dividend for 2020 of NOK 0.35 per share, is to be paid out on or about 22 October 2021, with record date 6 October 2021.

Key figures

NOK million	Q2 2021	Q2 2020	Change	30.06.2021	30.06.2020	Change	Full year 2020
Revenue	993.8	1 040.8	(46.9)	1 931.4	1 918.4	12.9	3 963.9
EBIT	73.1	88.0	(14.8)	138.5	146.3	(7.9)	312.6
Order backlog	2 293.5	2 101.8	191.6	2 293.5	2 101.8	191.6	2 005.5
Operating cash flow	109.3	5.5	103.7	187.6	108.0	79.6	237.0
Net working capital	1 033.7	1 059.2	(25.5)	1 033.7	1 059.2	(25.5)	1 063.8

* For definition – See Appendix "Definition of Alternative Performance Measures"

REVENUE
Connectivity
 NOK million

REVENUE
Electrification
 NOK million

REVENUE
Industry
 NOK million

REVENUE
Medical devices
 NOK million

REVENUE
Defence & Aerospace
 NOK million

Strong operating cash flow

Operating cash flow was NOK 109.3 million (NOK 5.5 million) for the second quarter.

Net working capital was NOK 1 034 million, a decrease of 2 per cent compared to the same quarter last year. Cash conversion cycle R3* was up from 93 days to 96 days, and net working capital R3* as a percentage of revenue was 25.8 per cent compared to 24.5 per cent last year. Return on operating capital (ROOC) R3* was 19.1 per cent compared to 22.1 per cent in the same quarter last year. Capital efficiency ratios are expected to improve moving forward.

Material supply situation challenging

The general material supply situation continues to be a challenge to deliveries. We expect some relief during the fourth quarter and further relief during the first half of 2022.

Markets
Order intake

Order intake in the quarter was NOK 1 227 million, which is 13.7 per cent higher than for the second quarter 2020. The order backlog ended at NOK 2 293.5 million, which is 9.1 per cent higher than the same period last year.

Four-quarter moving average order intake was up from NOK 1 005.1 million at the beginning of the second quarter to NOK 1 042.1 million at the end of the quarter. Kitron's order backlog includes four months customer forecast plus all firm orders for later delivery.

Connectivity

Kitron's Connectivity sector is focused on connected devices. Many of these devices are sensors, continuously feeding data into increasingly advanced software, utilizing artificial intelligence to

Revenue market sectors

NOK million	Q2 2021	Q2 2020	Change	30.06.2021	30.06.2020	Change	Full year 2020
Connectivity	107.6	89.0	18.6	194.3	159.5	34.8	330.9
Electrification	273.3	216.2	57.0	570.1	452.8	117.3	938.8
Industry	253.9	195.2	58.7	472.8	370.8	102.0	718.0
Medical devices	159.6	292.5	(133.0)	306.8	439.2	(132.4)	1 006.6
Defence & Aerospace	199.5	247.8	(48.3)	387.4	496.2	(108.8)	969.6
Total group	993.8	1 040.8	(46.9)	1 931.4	1 918.4	12.9	3 963.9

Order Backlog market sectors

NOK million	30.06.2021	30.06.2020	Change	31.12.2020
Connectivity	241.2	104.3	136.9	132.6
Electrification	678.0	457.0	220.9	566.9
Industry	360.0	263.1	96.9	302.0
Medical devices	279.8	444.1	(164.2)	234.5
Defence & Aerospace	734.4	833.3	(98.9)	769.4
Total group	2 293.5	2 101.8	191.6	2 005.5

Revenue geographic markets

NOK million	Q2 2021	Q2 2020	Change	30.06.2021	30.06.2020	Change	Full year 2020
Norway	177.2	143.9	33.4	308.8	283.0	25.7	570.8
Sweden	472.3	461.3	11.0	877.7	788.8	88.8	1 728.7
Rest of Europe	178.4	206.0	(27.6)	400.6	423.1	(22.4)	807.0
North America	153.9	214.3	(60.4)	321.9	389.5	(67.6)	764.9
Others	11.9	15.3	(3.4)	22.4	34.0	(11.6)	92.4
Total group	993.8	1 040.8	(46.9)	1 931.4	1 918.4	12.9	3 963.9

make predictions and improve efficiency and safety. Examples are multiplying, in everything from industrial control systems, to medical devices monitoring vital functions and modern cars, containing many sensors communicating with the Internet. Another part of the connectivity market sector is communication, which supplies the backbone for sensors and IOT. Typical products here are wireless communication, optical transmission and networking products.

Electrification

Kitron's Electrification sector is focused on the megatrend that sees the world increasingly moving to renewable energy and electrification. Examples are battery management, power grid transmission, power and electric drive management, charging and fuel cell technology. Kitron is involved with electrification from the power grid to end-user products, from control systems for offshore wind power, to battery management systems and charging stations.

Industry

Within the Industry sector Kitron operates and delivers a complete range of services within industrial applications like automation, environmental, material warehousing and security. The Industry sector consists of three main product areas: control systems, electronic control units and automation.

Medical devices

The medical device sector consists of the product areas diagnostics, life support, surgical, hospital and home care. Kitron is especially strong in ultrasound and cardiology systems, respiratory medical devices and Lab/IVD (In-Vitro Diagnostics).

Defence/Aerospace

Aerospace is mainly navigation and communication equipment for civil and military avionics. Defence is primarily communication, encryption, and surveillance systems. The Defence/Aerospace sector is in general characterized by project deliveries.

Operations

Organisation

The Kitron workforce corresponded to 1 808 full-time employees (FTE) on 30 June 2021. This is a decrease of 24 FTE since the second quarter of 2020. The number of FTE in lower-cost regions now accounts for 69 per cent of the total.

The company's total payroll expenses in the second quarter were NOK 22.0 million higher than in the corresponding period in 2020. The relative payroll costs ended at 19.0 per cent, up from 16.0 per cent of revenue in the second quarter last year.

Finance

Net financial items

During the quarter, net financial items amounted to a net cost of NOK 9.9 million. The corresponding figure for second quarter last year was a net cost of NOK 6.2 million. Net disagio for the second quarter amounted to NOK 2.2 million (2020: agio NOK 1.7 million). Intragroup financial loans to subsidiaries in foreign currencies as of 30 June 2021 that are affecting net financial income total EUR 1.9 million.

Revenue business entities

NOK million	Q2 2021	Q2 2020	Change	30.06.2021	30.06.2020	Change	Full year 2020
Norway	287.3	235.2	52.1	546.6	476.3	70.3	988.5
Sweden	198.8	181.4	17.3	363.3	331.0	32.3	715.0
CEE	343.0	332.4	10.6	709.6	660.2	49.4	1 350.1
Others	190.3	358.4	(168.0)	359.4	552.3	(192.9)	1 151.6
Group and eliminations	(25.6)	(66.7)	41.1	(47.5)	(101.3)	53.8	(241.3)
Total group	993.8	1 040.8	(46.9)	1 931.4	1 918.4	12.9	3 963.9

EBIT business entities

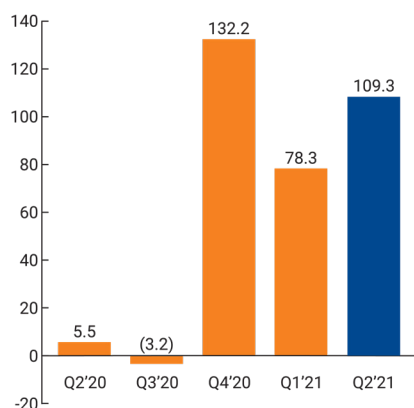
NOK million	Q2 2021	Q2 2020	Change	30.06.2021	30.06.2020	Change	Full year 2020
Norway	21.2	16.3	4.9	39.3	33.8	5.5	70.0
Sweden	14.7	12.4	2.3	26.5	21.8	4.7	46.9
CEE	27.3	23.9	3.3	63.6	45.6	18.0	100.6
Others	10.9	49.7	(38.8)	14.1	63.5	(49.4)	128.9
Group and eliminations	(0.9)	(14.4)	13.5	(5.0)	(18.3)	13.3	(33.8)
Total group	73.1	88.0	(14.8)	138.5	146.3	(7.9)	312.6

Full time employees

	30.06.2021	30.06.2020	Change	31.12.2020
Norway	337	307	29	319
Sweden	217	192	25	192
CEE	936	843	93	941
Other	319	490	(171)	353
Total group	1 808	1 832	(24)	1 805

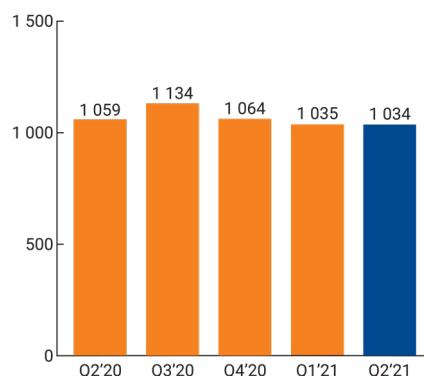
OPERATING CASH FLOW Group

NOK million



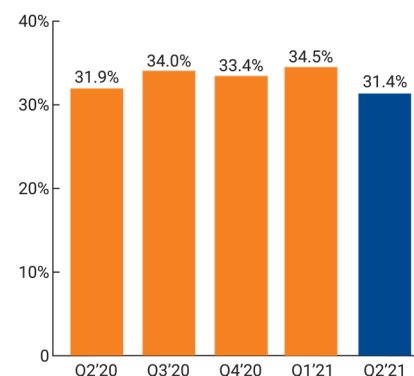
NET WORKING CAPITAL Group

NOK million



EQUITY RATIO Group

Per cent



Balance sheet

Kitron's gross balance sheet as of 30 June 2021 amounted to NOK 2 702.0 million, compared to NOK 2 862.6 million at the same time in 2020.

Equity was NOK 847.1 million (NOK 911.9 million), corresponding to an equity ratio of 31.4 per cent (31.9 per cent). Equity is influenced by foreign exchange effects from consolidation of foreign subsidiaries.

Inventory was NOK 614.8 million as of 30 June 2021 (NOK 575.6 million). Inventory turns* was 2.7 in the second quarter 2021, which is a decrease compared to second quarter last year (2.9).

Accounts receivables amounted to NOK 838.6 million at the end of the second quarter of 2021. The corresponding amount at the same time in 2020 was NOK 888.3 million.

Contract assets was NOK 422.6 million as of 30 June 2021, compared to NOK 396.7 million at the same time in 2020.

Right-of-use assets amounted to NOK 234.7 million at the end of the second quarter compared to NOK 285.3 million at the same time last year. Right-of-use assets consist of buildings, land and vehicles amounting to NOK 111.1 million (2020: NOK 133.1 million) and machinery and equipment amounting to NOK 123.6 million (2020: NOK 152.2 million). Depreciation and interest costs related to leased buildings, land and vehicles were NOK 5.0 million and NOK 2,3 million respectively for the second quarter (2020: NOK 5.0 million and NOK 1.6 million respectively).

The group's reported net interest-bearing debt* amounted to NOK 678.1 million as of 30 June 2021 (NOK 766.6 million). Net gearing of the company was 0.80 (0.84). Net interest-bearing debt/ EBITDA is 1.7 for 12 months rolling compared to 2.3 for the same period last year. The net gearing and net interest-bearing debt/ EBITDA exclusive IFRS 16 effects are 0.7 and 1.5 respectively.

The Annual General Meeting approved in April 2021 an ordinary dividend for 2020 of NOK 0.70 per share, paid in two equal tranches. The first tranche was paid in May 2021, while the second tranche of NOK 0.35 per share will be paid out on or about 22 October 2021. A dividend debt of NOK 62.7 million is incorporated in the balance sheet per 30 June 2021.

Outlook

For 2021, Kitron expects revenue between NOK 3 900 and 4 200 million. EBIT margin is expected to be between 6.8 and 7.4 per cent.

The outlook for 2021 implies that Kitron is back on its long-term trajectory for revenue and profitability after exceptional growth in 2020, largely driven by Corona-related demand within the Medical devices sector.

Growth is driven by Connectivity, Electrification and Industry Sectors. Medical devices are expected to be normalised and in line with previous years. The outlook for Defence/Aerospace is slightly down.

The board emphasizes that every assessment of future conditions necessarily involves an element of uncertainty.

Oslo, 12 July 2021, Board of directors, Kitron ASA

Condensed profit and loss statement

NOK 1 000	Q2 2021	Q2 2020	30.06.2021	30.06.2020	Full year 2020
Revenue	993 833	1 040 780	1 931 356	1 918 440	3 963 876
Cost of materials	662 808	711 303	1 275 864	1 285 273	2 645 855
Payroll expenses	188 935	166 936	377 649	332 393	671 438
Other operational expenses	45 617	54 694	91 508	106 576	225 211
Other gains / (losses)	1 012	5 971	1 338	2 282	(6 970)
Operating profit before depreciation and impairments (EBITDA)	97 485	113 818	187 674	196 481	414 402
Depreciation	24 362	25 860	49 196	50 140	101 828
Operating profit (EBIT)	73 123	87 958	138 478	146 341	312 574
Net financial items	(9.940)	(6 237)	(23.028)	(12 454)	(38 487)
Profit (loss) before tax	63 184	81 721	115 449	133 888	274 087
Tax	14 542	17 428	22 122	28 736	61 031
Profit (loss) for the period	48 642	64 293	93 327	105 152	213 056
Earnings per share-basic	0.27	0.36	0.52	0.59	1.19
Earnings per share-diluted	0.27	0.36	0.52	0.58	1.18

Condensed balance sheet

NOK 1 000	30.06.2021	30.06.2020	31.12.2020
ASSETS			
Goodwill	36 933	36 933	36 933
Other intangible assets	47 133	44 711	52 760
Property, plant and equipment	223 084	236 188	237 960
Right-of-use assets	234 689	285 333	256 892
Deferred tax assets	73 092	79 564	72 384
Other receivables	10 933	5 488	4 598
Total non-current assets	625 863	688 216	661 528
Inventory	614 822	575 640	544 977
Accounts receivable	838 609	888 349	834 493
Contract assets	422 559	396 675	386 660
Other receivables	88 273	85 002	74 589
Cash and cash equivalents	111 906	228 754	152 572
Total current assets	2 076 169	2 174 420	1 993 292
Total assets	2 702 032	2 862 636	2 654 819
LIABILITIES AND EQUITY			
Equity	847 119	911 929	885 654
Total equity	847 119	911 929	885 654
Deferred tax liabilities	4 611	4 921	4 728
Loans	228 274	338 520	267 894
Pension commitments	5 666	5 896	5 666
Other liabilities	4 259	-	3 088
Total non-current liabilities	242 810	349 337	281 376
Accounts payable	842 321	801 513	702 368
Other payables	189 266	120 549	128 093
Tax payable	18 747	22 497	14 605
Loans	561 770	656 811	642 723
Total current liabilities	1 612 103	1 601 370	1 487 789
Total liabilities and equity	2 702 032	2 862 636	2 654 819

Condensed cash flow statement

NOK 1 000	Q2 2021	Q2 2020	30.06.2021	30.06.2020	Full year 2020
Profit before tax	63 184	81 721	115 449	133 888	274 087
Depreciations	24 362	25 860	49 196	50 140	101 828
Change in inventory, accounts receivable, contract assets and accounts payable	1 791	(45 673)	30 094	(117 329)	(121 941)
Change in net other current assets and other operating related items	(22 362)	(72 494)	(41 377)	33 039	(39 652)
Change in factoring debt	42 276	16 116	34 198	8 216	22 683
Net cash flow from operating activities	109 251	5 531	187 561	107 954	237 005
Net cash flow from investing activities	(5 709)	(2 178)	(10 668)	(14 952)	(58 963)
Net cash flow from financing activities	(81 647)	(32 861)	(113 944)	(65 334)	(141 995)
Change in cash and bank credit	21 895	(29 508)	62 950	27 668	36 047
Cash and bank credit opening balance	(41 731)	(72 555)	(81 039)	(119 461)	(119 461)
Currency conversion of cash and bank credit	592	5 538	(1 155)	(4 733)	2 375
Cash and bank credit closing balance	(19 244)	(96 526)	(19 244)	(96 526)	(81 039)

Consolidated statement of comprehensive income

NOK 1 000	Q2 2021	Q2 2020	30.06.2021	30.06.2020	Full year 2020
Profit (loss) for the period	48 642	64 293	93 327	105 152	213 056
Actuarial gain / losses pensions	-	-	-	-	(179)
Exchange differences on translation of foreign operations	1 029	(8 806)	343	10 976	(2 859)
Currency translation differences	10 636	(35 369)	(9 193)	56 040	23 090
Total comprehensive income for the period	60 307	20 118	84 477	172 169	233 108
Allocated to shareholders	60 307	20 118	84 477	172 169	233 108

Changes in equity

NOK 1 000	30.06.2021	30.06.2020	31.12.2020
Equity opening balance	885 654	739 213	739 213
Profit (loss) for the period	93 327	105 152	213 056
Paid dividends	(125 374)	-	(89 552)
Employee share schemes	2 361	547	2 885
Other comprehensive income for the period	(8 849)	67 016	20 052
Equity closing balance	847 119	911 929	885 654

Notes to the financial statements

Note 1 – General information and principles

The condensed consolidated financial statements for the first half year and second quarter of 2021 have been prepared in accordance with International Financial Accounting Standards (IFRS) and IAS 34 for interim financial reporting. Kitron has applied the same accounting policies as in the consolidated financial statements for 2020. The interim financial statements do not include all the information required for a full financial report and should therefore be read in conjunction with the consolidated financial statements for 2020, which were prepared in accordance with the Norwegian Accounting Act and IFRS, as adopted by the EU.

The consolidated financial statements for 2020 are available upon request from the company and at www.kitron.com.

Note 2 - Estimates

The preparation of the interim financial statements requires the use of evaluations, estimates and assumptions that affect the application of the accounting principles and amounts recognised as assets and liabilities, income and expenses. The actual results may deviate from these estimates. The important assessments underlying the application of Kitron's accounting policy and the main sources of uncertainty are the same for the interim financial statements as for the consolidated statements for 2020.

Note 3 – Financial risk management

Kitron's business exposes the company to financial risks. The purpose of the company's procedures for risk management is to minimise possibly negative effects caused by the company's financial arrangements.

Note 4 – Other gains and losses

Other gains and losses consist of net currency gains and losses

Note 5 – Coronavirus pandemic

Market demand for Kitron in 2021 is strong although the continued development of the corona pandemic brings uncertainty to the outlook.

The supply chain is affected by the general material supply situation, which is challenging, and to deliver the demand, Kitron's operations will have to be flexible. To better control the supply situation we have asked customers to place firm orders.

Kitron continuously makes capacity adjustments based on demand fluctuations but has prepared for significantly larger fluctuations, if they should occur.

Responsibility statement

We confirm, to the best of our knowledge, that the condensed set of financial statements for the period 1 January to 30 June 2021 has been prepared in accordance with IAS 34 - Interim Financial Reporting, and gives a true and fair view of the group's assets, liabilities, financial position and profit or loss as a whole. We also confirm, to the best of our knowledge, that the interim management report includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, a description of the principal risks and uncertainties for the remaining six months of the financial year, and major related parties transactions.

Oslo, July 12 2021



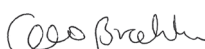
Tuomo Lähdesmäki
Chairman



Espen Gundersen
Board member



Maalfrid Brath
Board member



Gro Brækken
Deputy chairman



Tanja Rørheim
Employee elected board member



Bjørn Gottschlich
Employee elected board member



Lars Peter Nilsson
CEO of Kitron ASA



Christian Jebsen
Board member



Jarle Larsen
Employee elected board member



Petra Grandinson
Board member

Appendix

Definition of Alternative Performance Measures

Kitron uses terms in the consolidated financial statements that are not anchored in the IFRS accounting standards. As being an Electronics Manufacturing Services company, Kitron uses Alternative Performance Measures which are relevant for understanding and evaluation of performance within manufacturing.

Our definitions and explanations of these terms follow below.

Order backlog

All firm orders and 4 months of committed customers forecast at revenue value as at balance sheet date.

Foreign exchange effects

Group consolidation restated with exchange rates as comparable period the previous year. Change in volume or balance calculated with the same exchange rates for the both periods are defined as underlying growth. Change based on the change in exchange rates are defined as foreign exchange effects. The sum of underlying growth and foreign exchange effects represent the total change between the periods.

EBITDA

Operating profit (EBIT) + Depreciation and Impairments

EBIT

Operating profit

EBIT margin (%)

Operating profit (EBIT) / Revenue

Net working capital

Inventory + Contract assets + Accounts Receivables – Accounts Payable

Operating capital

Other intangible assets + Tangible fixed assets + Net working capital

Return on operating capital (ROOC) %

annualised Operating profit (EBIT) / Operating Capital

Return on operating capital (ROOC) R3 %

(Last 3 months Operating profit (EBIT))*4 / (Last 3 months Operating Capital /3)

Direct Cost

Cost of material + Direct wages (subset of personnel expenses only to include personnel directly involved in production)

Days of Inventory Outstanding

360/ (Annualised Direct Costs/(Inventory + Contract assets))

Days of Inventory Outstanding R3

360/ ((Last 3 months Direct Costs *4) / (Last 3 months Inventory and Contract assets/3))

Days of Receivables Outstanding

360/ (Annualised Revenue/Trade Receivables)

Days of Receivables Outstanding R3

360/ (((Last 3 months Revenue*4)/(Last 3 months Trade Receivables/3))

Days of Payables outstanding

360/ ((Annualised Cost of Material + Annualised other operational expenses) / Trade Payables)

Days of Payables Outstanding (R3)

360/ (((Last 3 months (Cost of Material + other operational expenses)*4) / (Last 3 months Trade Payables)/3))

Cash conversion cycle (CCC)

Days of inventory outstanding + Days of receivables outstanding – Days of payables outstanding

Cash conversion cycle (CCC) R3

Days of inventory outstanding (R3) + Days of receivables outstanding (R3) – Days of payables outstanding (R3)

Net Interest-bearing debt

- Cash and cash equivalents + Loans (Non-current liabilities) + Loans (Current liabilities)

Interest-bearing debt

Loans (non-current liabilities) + Loans (current liabilities)

Inventory turns

Annualised direct costs / (Inventory + Contract assets)

Variable contribution

Revenue - Direct cost

Net gearing

Net interest bearing debt / Equity

Equity Ratio

The ratio of Equity to Total Assets



Kitron is a leading Scandinavian electronics manufacturing services company for the Connectivity, Electrification, Industry, Medical devices and Defence/Aerospace sectors. The company is located in Norway, Sweden, Lithuania, Germany, Poland, China and the United States. Kitron had revenues of about NOK 4.0 billion in 2020 and has about 1 800 employees. Kitron manufactures both electronics that are embedded in the customers' own product, as well as box-built electronic products. Kitron also provides high-level assembly (HLA) of complex electromechanical products for its customers.

Kitron offers all parts of the value chain: from design via industrialisation, manufacturing and logistics, to repairs. The electronics content may be based on conventional printed circuit boards or ceramic substrates.

Kitron also provides various related services such as cable harness manufacturing and components analysis, and resilience testing, and also source any other part of the customer's product. Customers typically serve international markets and provide equipment or systems for professional or industrial use.

